**Unit 4 Review**

1. Which one of the following items is a good, and NOT a service?

a. car wash b. massage c. gas d. doctor’s visit

2. Use the scenario below to answer questions the question.

In this scenario, the producer is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and the consumer is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

*Mandy decides to take a shopping trip to the mall with her month’s allowance of $35 and buys shirts and skirts from Forever 21.*

a. Mandy ; $35

b. $35 ; Mandy

c. Forever 21 ; Mandy

d. $35 ; Mandy

3. Which part of the economy is responsible for setting the rules and regulations that all other parts of the economy have to follow?

a. households / individuals b. businesses c. government d. banks

4. Which part of the economy provides the labor for businesses?

a. households / individuals b. businesses c. government d. banks

5. Which part of the economy is responsible for producing goods and services and paying wages?

a. households / individuals b. businesses c. government d. banks

6. Which part of the economy is responsible for lending and borrowing money?

a. households / individuals b. businesses c. government d. banks

7. Some natural resources are renewable and some are nonrenewable. Which of the following is **non-renewable?**

a. corn b. cattle c. cotton d. coal

8. Which one of the following is a human resource that Domino’s pizza would use?

a. delivery man b. high efficiency oven c. health care professional d. roma tomatos

9. Which of the following is an example of a natural resource used by Domino’s pizza?

a. knives b. garlic c. baking pans d. ovens

10. Which of the following is the best definition of a capital resource?

a. all of the resources that come from the earth b. all of the resources that involve people

c. all of the tools and technology used to make a good d. all of the above are capital resource.

11. Money used on a credit card comes directly out of your bank account: a. True b. False

12. A low unemployment rate is good because it means very few people are looking for work:

a. True b. False

13. Tax you pay on items that you buy in stores is called a :

a. Sales Tax B. Income tax C. Social Security Tax D. Property Tax

14. If quantity demanded is higher than the quantity supplied, what happens?

a. shortage b. surplus

15. If a country has a poor educational system, which type of resource is limited:

a. capital resource b. human resource c. natural resource

16. Which two types of federal taxes are taken out of a worker’s paycheck?

a. sales and income b. excise and income c. payroll (social security) and income

17. Look at the Gypsum Sales Tax announcement attached to this packet. According to the announcement, what percent of the sales tax was intended to pay for the rec center?

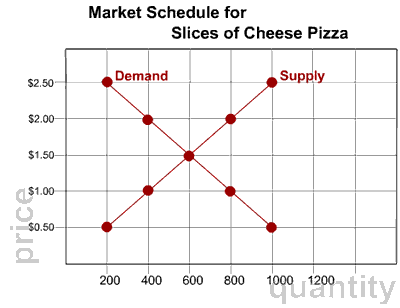
18. After June 1st, what will be the total amount of sales tax collected from any purchase you make in Gypsum?

19. Let’s say you go to Kum N’ Go and buy a bag of chips for $1.29. How much will the total be once sales tax is added? I’ll do this one for you. Use the sales tax from #18, change to decimal form, multiply it by $1.29, then add that amount to the price of the chips to find your total cost]

20. Now it’s your turn. Calculate the final cost for a bottle of Coke. The price on the rack says $1.49.

21. How much would you have to pay if you buy the bag of chips and the Coke?

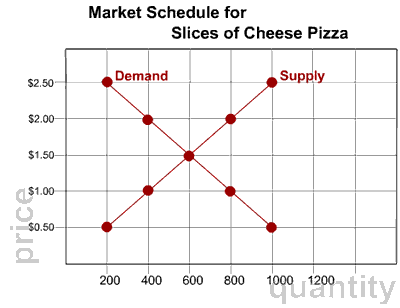
22. This time you are REALLY hungry so you go for the jumbo soda ($2.39) and a family size bag of chips ($3.99). What will your total price be with sales tax added?



How many people are willing to buy pizza at $2.00 per slice?

a. 600 b. 800

c. 200 d. 400

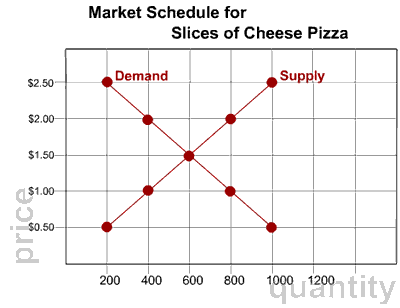


What is the equilibrium price?

a. $1.00 b. $1.50

c. $2.00 d. $2.50

If the price were set at $2.00 per slice, what would happen at this pizza producer’s store?



a. a shortage b. a surplus

c. neither – equilibrium d. scarcity

Imagine that half of the cheese in America had to be thrown away because of a mold epidemic. What would the effect on the supply of cheese pizza?

a. the supply would decrease

b. the supply would increase

c. neither – the supply would stay the same

d. the supply would increase first, then decrease